### AmWest Advantage ITIN Program Matrix

#### Primary Residence & Second Home

<table>
<thead>
<tr>
<th>Property Type</th>
<th>Max Loan Amount</th>
<th>Max LTV/CLTV</th>
<th>Min. FICO</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Unit SFR, PUDs, and Condos</td>
<td>$1,000,000</td>
<td>80%</td>
<td>700</td>
</tr>
<tr>
<td>2-4 Units</td>
<td></td>
<td>75%</td>
<td>660</td>
</tr>
<tr>
<td></td>
<td></td>
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</table>

**CASH-OUT REFINANCE**

<table>
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<td></td>
<td>70%</td>
<td>680</td>
</tr>
</tbody>
</table>

**Footnotes**

1. Second Homes: 1 Unit Properties Only
2. Texas Cash-Out Section 50(a)(6) not permitted
3. Investment Properties: Mandatory 2-Years Prepayment Penalty applies (refer to guidelines and State restrictions)

### Investment Property

<table>
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**NOTE:** Borrowers without a credit score: Limited to 70% LTV (Purchase & R/T) and 65% LTV (Cash-Out). 1 Unit Properties only.

### AmWest Advantage ITIN Program Guidelines

**Eligible Properties:** SFR, PUD (attached and detached), townhomes, condominiums (low-high rise condos, attached, and detached), and 2-4 unit properties. Note: Properties exceeding 10 acres require pre-approval from AmWest.

**Ineligible Property Types:** Agricultural zoned property, Condotel, Co-ops, Hobby Farms, Log Homes, Mixed Use, Manufactured Homes, Timeshare, Leasehold Estates, and Mobile Homes.

**Loan Terms:** 30 Year Fixed

**Pre-Payment Penalty:** 2-Years PPP: Only applies to Investment Property transactions (with option to buy up to 3 yrs PPP) – **Refer to State specific restrictions.**
- This is effective for new loan submissions starting January 25, 2021.

**Minimum Loan Amount:** $75,000

**Max DTI Ratio:** Max 43% DTI.

**Underwriting Method:** Manual Underwriting only.
Eligible Borrowers:
- The borrower(s) must possess a valid ITIN card or IRS ITIN letter, and a valid passport. EAD cards are not required.
- Co-borrower(s) with SSN allowed.
- All ITIN Borrowers must take a Homebuyer’s Course (for purchase transactions only).
  - refer to https://www.frameworkhomeownership.org/get-started/homebuyer-education
- Non-occupant co-borrower is not allowed.

First Time Homebuyers:
- First time homebuyers are eligible.
- First time homebuyers may not use rental income to qualify on the investment property purchases.

Age of Documents:
- Credit documents cannot be older than 90 days from the Note date. These documents include credit report, employment, and income
  - The asset documents must be dated within 60 days of the Note date.
- Preliminary Title report is good for 90 days.
- The effective date of the appraisal report must be dated within 120 days of the funding date. If the effective date of the appraisal report is more than 120 days from the funding date, the appraiser must acknowledge that the value of the subject property has not declined since the effective date of the original appraisal. The update must be completed on FNMA Form 1004D/FHLMC Form 442 and must be dated within 120 days prior to the funding date.

Credit:
- Credit report will be pulled using borrower’s ITIN number (Tri-Merge) and must have minimum of (1) FICO score. (No credit score is acceptable with non-traditional tradelines.) - If SSN is reflected on the credit report, a Letter of Explanation (LOE) from the borrower to confirm they are not using the SSN is required.
  - Borrower(s) with 1 FICO or No Credit must assume credit score of 660 (Purchase/R&T) and 680 (Cash-Out).
  - All borrowers must have at least four open and active traditional tradelines and/or non-traditional credit references. Each tradeline must show activity within last 12 months.
  - All tradelines require minimum of 12 months rating.
  - If non-traditional credit reference(s) is required, 1 must be a utility reference.
  - If a borrower has a minimum credit score of 660, but does not meet the 4 tradeline requirement, non-traditional tradeline(s) may be used and must be provided in a credit supplement format.
  - If a borrower does not have a credit score (no credit), four non-traditional credit references/letters may be used in lieu of credit supplement on credit report
  - 12 months credit reference may include items like:
    - Utilities (electricity, phone, cable)
    - Written VOR (may request additional documentation)
    - Housing Payments
    - Installment loan payments not listed on credit report
    - Non-payroll deducted Medical and Life Insurance
    - Auto and Renter’s insurance
    - Lease payments for durable goods (i.e. car)
    - Local store payments (department, furniture, appliance)
    - School tuition / Child Care
    - Documented individual loans

Bankruptcy:
3 years from discharge date from the application date – No multiple events allowed for the past 7 years (84 months) from the initial application date. Any credit events that occurred greater than 7 years will not be included in the multiple events.

Foreclosure, Deed-in-Lieu, and Short Sale:
Will be considered on case-by-case basis with other compensating factors. No multiple events allowed for the past 7 years (84 months) from the initial application date. Any credit events that occurred greater than 7 years will not be included in the multiple events.

Rate/Term Refinance:
- No seasoning required. If the first mortgage being paid off with this transaction was used to payoff any subordinate financing that was not used to acquire the property and that mortgage has not been seasoned for at least 6 months prior to the date of the application, the loan is ineligible for Rate & Term Refinance.
- The LTV calculation for Rate/Term Refinance:
  - Current appraised value is used for calculating LTV for Rate/Term Refinance regardless of the subject acquisition date.
  - Texas loans for refinance as a rate and term do not allow: Any principal reductions/curtailments. Impounds may not be added to new loan calculation if they are not netted from the payoff. POC fees may not be refunded when financed into the loan amount, and loan must be recalculated due to any payoff reductions, (Ex. - Borrower made a payment, now payoff reduced) and loans that fall into Texas Cash out 50(a)(6) eligibility.

Cash Out Refinance:
- 6 month title seasoning is required.
  - Note: if the borrower inherits or is legally awarded (by divorce, dissolution of a domestic partnership etc.) a property - it is exempt from the 6 month waiting period.
  - Note: If the property was purchased by the borrower within the 6 months preceding the application for new financing, the borrower is ineligible for a cash-out refinance
- Delayed financing is allowed within the 6 months from the purchase date if the property was purchased and there is no financing evidenced by the settlement statement provided by the escrow company.
- Properties in an LLC, Corporation, or Partnership may count towards the 6 months title seasoning if the borrower is the majority (≥51%) owner. Ownership must be transferred out of the LLC/Corporation/Partnership and into the name of the individual borrower(s) prior to or at closing.
- LTV Calculation: Use current appraised value
  - Maximum LTV/CLTV ratios for standard Cash Out transaction except for Investment > 6 financed properties.
  - Investment with more than 6 financed properties: Max LTV is 50%
Borrowers who purchased the subject property within the past six months are eligible for a cash-out refinance if all of the following requirements are met:

- The original purchase transaction was an arms-length transaction
- For this refinance transaction, the borrower(s) must meet the borrower eligibility requirements (i.e.-borrowers who are natural persons that have reached the age at which the mortgage note can be enforced in the jurisdiction where the property is located).
- The borrower(s) may have initially purchased the property as one of the following:
  - A natural person
  - An eligible inter vivos revocable trust, where borrower is both the beneficiary & individual establishing the trust or
  - A LLC or partnership in which the borrower(s) have an individual or joint ownership of 100%.
- The original purchase transaction is documented by Final CD, which confirms that no mortgage financing was used to obtain the subject property. (A recorded trustee’s deed [or similar alternative] confirming the amount paid by the grantee to trustee may be substituted for a Final CD if a Final CD was not provided to the purchaser at time of sale.)
- The sources of funds for the purchase transaction are documented (such as bank statements, personal loan documents, or a HELOC on another property.
- If the source of funds used to acquire the property was an unsecured loan or a loan secured by an asset other than the subject.
- The new loan amount can be no more than the actual documented amount of the borrower’s initial investment in purchasing the property plus the financing of closing costs, prepaid fees, and points on the new mortgage loan (subject to the maximum LTV/CLTV/HCLTV ratios for the cash out transaction based on the current appraised value).
- All other Cash Out refinance guidelines apply and must be met.
- Maximum LTV/CLTV ratios for standard Cash Out transaction except for Investment > 6 financed properties.
- Investment with more than 6 financed properties: Max LTV is 50%

### Income:

**Salaried Borrower:**
- Written Verification of Employment (FNMA Form 1005 or equivalent) completed by the employer.
- Must cover at least 2 years of employment history.
- Must include all year-to-date earnings.

**Self-employed Borrower:**
- Most recent 2 years Personal and Business Tax Returns.
- A Year-to-Date P&L.
- Business license for the past 2 years (if applicable) or a CPA letter to document minimum of 2 years self-employment.

**Verbal Verification of Employment:**
- Verbal Verification of Employment is required for all borrowers:
  - Salaried and commission income - Verbal VOE within 10 business days prior to the note date.
  - Self-employed income - Verbal VOE within 90 business days prior to note date.

* Refer to COVID-19 Temporary Policies section for additional requirements.

### Assets & Reserves:

**Borrower must have sufficient liquid assets available for down payment, closing costs and reserves. Funds may be documented as follows:**

**Most recent asset document required.**
- Asset seasoning is not required; however, additional supporting documentation may be required for any atypical deposits.
- The minimum funds to close and the reserve requirement will be based on the current balance.
- Acceptable Asset Statements:
  - Bank Certification documenting current balance
  - 1 month bank statement
  - VOD
  - Bank prepared and stamped 30 days transaction history print-out.

**The asset documents must be dated within 60 days of the Note date.**

**Reserves:** 3 months reserves (PITIA) required for subject property only.

- Stock/Bonds/Mutual Funds: 100% may be considered - funds used for closing must documented as being liquidated.
- Net Cash Value for Life Insurance: 100% of the vested amount may be considered for reserves.
- Vested Retirement Account Funds: 100% may be considered for reserves.
- Reserves coming from gift funds must be deposited into borrower’s account prior to closing.

**Cash Out Net Proceed can be used for reserve requirement.**

### Business Funds:

**Business funds:** Funds in the borrower’s business account(s) ≤ 100% of account balance may be counted toward down payment, closing costs, and reserves. The percentage of the account balance used towards the down payment, closing costs, and the reserves must be no more than the percentage of the borrower’s ownership of the business.
- Business funds that are in a personal account prior to application may be used for down payment, closing costs, and reserves without restriction. Large deposits must be sourced to determine there is not an undisclosed loan.
- A CPA/CTEC/EA must provide a letter explaining that the withdrawal of the funds will not negatively affect the business operations.

### Gift Funds:

- Allowed on Primary Residence and Second Home transactions.
- Minimum borrower contribution from the borrower’s own funds is not required.
- Gift funds may fund all or part of the down payment, closing costs, or financial reserves.
- Reserves coming from gift funds must be deposited into borrower’s account prior to closing.
- The donor should state that repayment is not expected.
- Gift donor must be blood or legal relative, a fiancé, fiancée, or domestic partner.
- Gift letter must contain the amount of the gift, donor's name, address, phone number and relationship.
- Seller-subsidized gifts/grants are ineligible.
- Gift of equity allowed.
interested party contribution (IPC):

- Maximum allowable contribution from seller, builder, realtor, broker, or an affiliate who may benefit from the transaction:
  - 6% for Primary Residence or Second Home
  - 2% for Investment Property

maximum number of financed/owned properties:

- The financed property limit applies to the borrower’s ownership of one- to four- unit financed properties or mortgage obligations on such properties and is cumulative for all borrowers. These limitations apply to the total number of properties financed, not the number of mortgages on the property.
- Max number of financed properties with AmWest: 6 per household.
- **AmWest limits total number of owned properties to 20. Borrower(s) must not have an ownership interest in more than 20 residential properties, including the subject property, as of the Note Date.**
- Investment Cash Out: Max LTV is 50% if subject property is an investment and borrower has > 6 financed properties.

mortgage history:

- 0x30 within 12 months
- VOM required for borrower(s) that are homeowners and mortgage payment history is not reflected on credit report. VOR required when borrower(s) are renting and are purchasing an investment property to verify housing payment and history. If borrower(s) are living rent free, evidence that someone else is responsible and making the payment is required. If Private Lender or Private Landlord, 12 months cancelled checks or 12 months bank statements must be provided to document mortgage or rents.

installment debts:

- Payments on installment debts with more than 10 months of remaining payment must be included in the DTI.
- Installment debts may be paid off or paid down to 10 or fewer monthly payments for qualifying. (Unless the monthly debt obligation significantly affects the borrower’s ability to meet their credit obligations). *Note: Pay downs may be limited to one installment debt per borrower/loan application if the borrower does not have sufficient liquid funds in the bank to cover the remaining balance. *All pay downs require liquid funds to support the remaining balances of each debt being paid down to qualify the loan*
  - 0x30 within last 12 months.

30 day accounts:

- Document that the borrower has sufficient funds to cover the unpaid balance of all 30-day charge accounts.
- 0x30 within last 12 months.

deferred installment debts:

- Deferred Installment debts must be included in Debt Ratios as follows:
  - ✔️ Installation debts, other than Student loans, when minimum payment is not shown on credit report, then use:
    - ✔️ a copy of the payment letter, or
    - ✔️ forbearance agreement that reflects a future monthly payment.

student loans:

For all student loans, whether deferred, in forbearance, or in repayment (not deferred), monthly payment must be included in the borrower’s DTI.

- In order to calculate the repayment amount, one of the following must be used:
  - ✔️ If a payment amount is provided on the credit report, that amount can be used for qualifying purpose.
  - ✔️ 1% of the outstanding balance; OR
  - ✔️ a calculated payment that will fully amortize the loan(s) based on the documented loan repayment terms.

leasing payments:

- The lease payment must be included in the DTI regardless of the remaining number of payments.

co-signed debts (contingent liability):

- Evidence that the borrower is not making the payments for the last 12 months documented by copies of 12 months canceled checks to show timely payments by the primary obligor required to remove liability from borrower.

debts paid by business for self-employed borrowers:

Debts paid by business for self employed borrowers may be excluded from the monthly obligation when all of the following requirements are met.

- No late payments in the last 12 months and no more than 1x30 in the last 24 month period.
- Evidence, such as 12 months canceled checks, that the debt has been paid from the company funds.

revolving accounts:

- Use the monthly payment shown on the credit report. If not available, use 5% of the outstanding balance.

payoff of revolving accounts:

- In order to qualify without the monthly payment on the current balance, evidence of pay off is required.

judgments/lien /repossessions:

- Must be released with 0 balance.

IRS debt:

must either show paid in full or payment agreement w/ 3 months payment history (payment will be included in DTI).

collections/charge offs:

- Accounts do not have to be paid off at or prior to closing if the balance of an individual account is less than $250 and the total balance of all accounts is $1,000 or less.
- Medical collections do not have to be paid off.
For both Rate/Term and Cash Out Refi transactions: Subject property that is listed for sale at time of loan application is not permitted. Evidence of cancelled listing is required at least 1 day prior to loan application date.

<table>
<thead>
<tr>
<th>Condo Projects:</th>
<th>Property Listed for Sale:</th>
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<td><strong>HOA Cert:</strong> Limited Review or Full Review per Fannie Mae Standards on all Projects.</td>
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<td><strong>Full Review:</strong></td>
</tr>
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<td>✓ If the property will be used as an Investment Property, at least 50% of the total number of the project must have been conveyed to purchasers who occupy their unit as a primary residence or second home.</td>
</tr>
<tr>
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<td>✓ Delinquencies for HOA dues may not exceed 15% (total unit dues cannot be more than 60 days delinquent).</td>
</tr>
<tr>
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<td>✓ No single entity may own more than 20% of the total units (or 1 unit in a 2 to 4 unit project).</td>
</tr>
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<td>✓ No more than 35% commercial usage.</td>
</tr>
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<td>✓ At least 90% of the total units in the project have been conveyed to the unit purchasers.</td>
</tr>
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<td>✓ The project is 100% complete (including all units and common elements).</td>
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<td>✓ The project is not subject to phasing or annexation.</td>
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<td>✓ Control of the homeowners association has been turned over to the unit owners.</td>
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<td>✓ Private transfer fees are not allowed unless established prior to 02/08/11 or if provides direct benefit and is paid to HOA.</td>
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**Pending Litigations:** Not allowed.

**Insurance:**
- Copy of the Master/Blanket Hazard Policy is required (To include fidelity coverage). If the blanket policy does not provide “walls in” coverage (aka - HO6 coverage), the borrower will need to obtain it separately.

**Non-warrantable Condo:**
- Not allowed.

**Property Resale within 90-180 days and HPML:**

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<td>If the consumer is using a covered HPML to buy a flipped property, 2nd set of appraisal is required (AmWest to order) if the purchase price is more than a certain amount higher than the seller’s acquisition price. These amounts are:</td>
</tr>
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<td>✓ More than 10% price increase if the seller acquired the property in the past 90 days</td>
</tr>
<tr>
<td>✓ More than 20% price increase if the seller acquired the property in the past 180 days</td>
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<td>Property Resale days are measured from the date seller acquired title to the property to the new sales contract date.</td>
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**Assignment on Purchase Agreement:**
- Loans to Assignees on purchase contracts are not permitted except when the original buyer remains as one of the buyers.

**Non-Arm’s Length Transaction occurs when there is a relationship or business affiliation between the borrower and an interested party to the transaction. The list includes and is not limited to: Builder, Developer, or the Property seller. (Examples: Family transactions, Landlord/Tenant-Buyer, Property in an estate, Employer/Employee Sales, etc.)**

**Non-Arm’s Length Transaction:**
Non-Arm’s Length Transactions are allowed for transactions of existing properties.
*For purchase transaction of newly constructed properties:* If the borrower has a relationship or business affiliation with the builder, developer, or seller of the property, only Primary Residence is allowed. Mortgage loans on newly constructed homes secured by a second home or investment property where there is a non-arm’s length relationship are prohibited. (FNMA 2-1.2-01) In addition, Non-arm’s length transactions are not permitted on Delayed Financing. (FNMA 2-1.2)

**At-Interest Transaction involves persons who are not closely tied or related but may have a greater vested interest in the transaction, such as a party who plays more than one role in the same transaction. At-interest transactions carry increased risk due to the greater vested interest in the transaction by one of the parties, which could potentially influence the loan transaction lured by the possible dual compensation. Additional scrutiny may be required in order to mitigate risk associated. The following are examples of at-interest transactions:**
- Builder acting as listing/selling agent,
- Dual real estate agent (selling/listing agent),
- Realtor/broker selling own property,
- Selling agent acting as MLO (selling by State),
- Broker acting as listing and/or selling agent as well as the MLO,
- Seller acting as the MLO,
- Borrower is employed by the company originating the loan,
- Borrower’s family member acting as the MLO and real estate broker at the same time

**At-Interest Transaction:**
Note: The examples above do not represent all categories of at-interest transactions. Each transaction will be individually evaluated by the underwriters.
**For Sale By Owner (FSBO) Transaction:**
FSBO transactions are allowed.

**Escrow Hold Backs:**
Escrow Hold Backs are ineligible in all states.

**Impounds/Escrows:**
- Impounds/Escrows may be waived per state law
- HPML loans must be impounded.
- Any loans requiring flood insurance must include flood insurance in the borrower(s’) escrow account even if no other escrows are collected or escrows have been waived.

**Power of Attorney:**
Power of Attorney is not allowed for Cash Out Transactions.

**Approved States:**
Refer to eligible states at: [https://www.amwestwholesale.com/Company/Licensed-States](https://www.amwestwholesale.com/Company/Licensed-States)

- **Texas:** Texas Cash-out Section 50(a)(6) refinance are not eligible.
- **Pennsylvania:** Permitted on 3-4 Unit dwellings of any loan amount and 1-2 Unit dwellings with a loan amount ≥ $263,976.
- **Rhode Island:** PPP 1-Year (Max 2%)

**COVID-19 Temporary Policies**

**Income/Employment:**
- **Self-employed Borrowers:**
  - The information in the YTD P&L must cover the most recent month preceding the Application Received Date and be dated no more than 60 calendar days prior to the Note date.
  - The CPA letter must also evidence that the business is not negatively impacted by COVID-19.
  - If any discrepancies are detected during pre-close QA process, a minimum of 2 months business account statements are required to ensure the business revenue, expenses, and net income documented in the P&L are reasonably consistent with the revenue and expense cash flow documented on the business account statements.

- **Verbal Verification of Employment (VVOE):**
  - VVOE for both salaried and self-employed borrowers must be confirmed within 10 business days of the note date.

**Note:** These COVID-19 Temporary Policies apply to all loans until further notice.